

Business Assistance and Housing Services (BAHS)

[215-8000] [216-8001] [220-5156] [234-8250] [236-7100]
[317-7000] [317-8010] [317-8055] [327-7100]

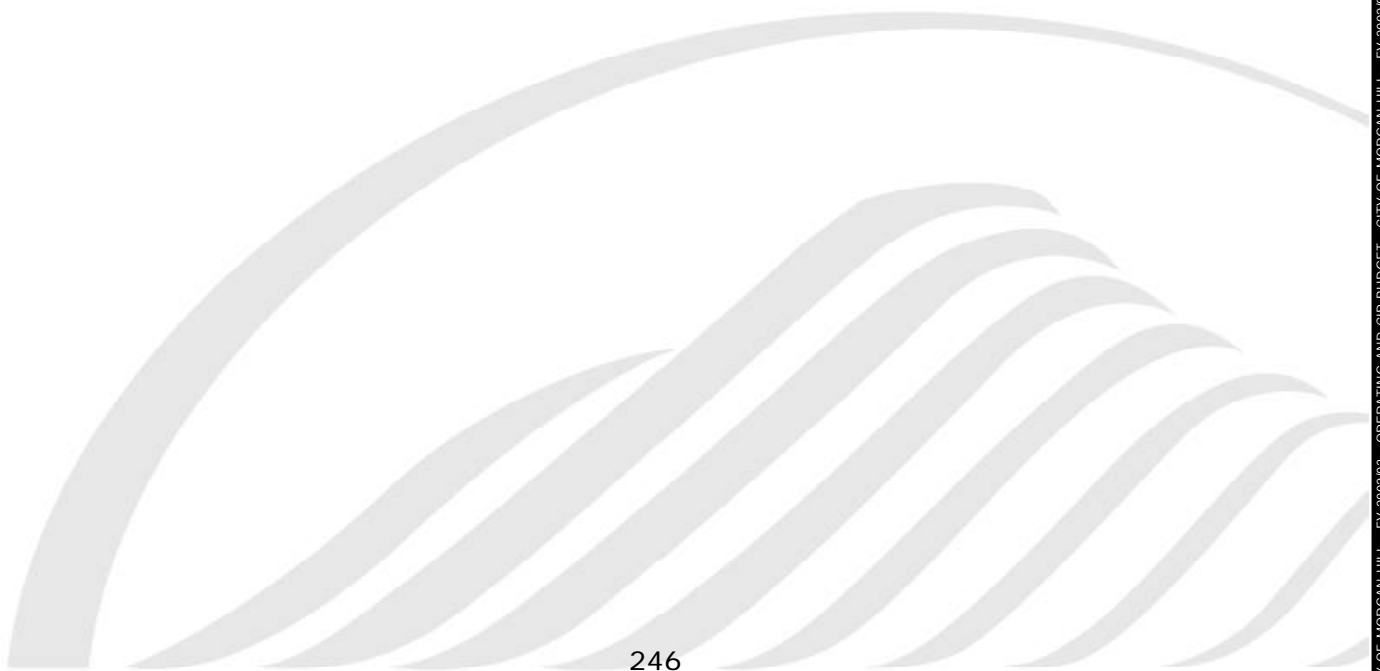
Appropriations Summary

| | 99/00 Actuals | 00/01 Actuals | 01/02 Current Budget ¹ | 01/02 Estimated Actuals | 02/03 Adopted Budget |
|---------------------|-------------------|-------------------|---|-------------------------------|----------------------------|
| Salaries | 678,163 | 817,194 | 1,005,046 | 977,409 | 1,156,940 |
| Supplies & Services | 398,820 | 468,715 | 596,295 | 509,934 | 282,781 |
| Capital Outlay | 7,099 | 75,246 | 34,386 | 20,100 | 14,000 |
| Debt Services | - | 539 | 762 | 762 | 512 |
| Internal Service | 401,311 | 422,762 | 543,407 | 516,327 | 626,241 |
| Transfers Out | 10,603,129 | 6,150,009 | 210,703 | 210,703 | - |
| Project Expenditure | 1,564,785 | 4,192,267 | 44,459,155 | 32,990,400 | 24,923,740 |
| BAHS | 13,653,307 | 12,126,733 | 46,849,754 | 35,225,635 | 27,004,214 |

| | | | | | |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 215 8000 CDBG PROGRAMS/PROJECTS | 726,497 | 98,215 | 180,874 | 180,874 | 181,306 |
| 216 8001 HCD REHAB | - | 6,200 | 157,740 | 257,000 | 50,000 |
| 220 5156 CDBG MUSEUM RENTAL | 1,554 | 1,938 | 5,025 | 2,999 | 3,069 |
| 234 8250 MOBILE HOME PARK RENT | 45,893 | 33,784 | 78,512 | 23,451 | 70,335 |
| 236 7100 HOUSING PROGRAMS | - | - | - | - | 1,032,119 |
| 317 7000 BAHS ADMINISTRATION | 10,681,972 | 9,131,570 | 36,169,723 | 27,284,616 | 1,234,039 |
| 317 8010 BAHS ECONOMIC DEVELOPM | - | - | - | - | 5,348,370 |
| 317 8055 BAHS CIP | - | - | - | - | 12,771,000 |
| 327 7100 HOUSING PROGRAMS | 2,197,391 | 2,855,026 | 10,257,879 | 7,476,695 | 6,313,976 |
| DEPARTMENT TOTAL | 13,653,307 | 12,126,733 | 46,849,754 | 35,225,635 | 27,004,214 |

¹FY 01/02 Adopted Budget: \$39,365,781





Annual Implementation Plan Update, January 1, 2001 - December 31, 2001

In December 1999, the Redevelopment Agency (the "Agency") adopted its second five-year Implementation Plan (the "Plan") for the period covering January 1, 2000 to December 31, 2004. The Agency's first Implementation plan covered the period from January 1, 1995 - December 31, 1999.

Implementation plans are required to contain, among other things, a list and description of proposed programs and projects to be developed over a five-year period with estimated expenditures. California Redevelopment Law ("CRL") requires redevelopment agencies to adopt a new Implementation Plan every five years and conduct a mid-plan review between years two and three of the Plan. Our mid-plan review is therefore due between January 1, 2002 - January 31, 2003.

The Implementation Plan identified five major categories of programs and projects that the Agency would undertake:

- Community Facilities (e.g., Community Center)
- Street Improvements (e.g., Butterfield Blvd. construction)
- Flood Control Projects (e.g., regional detention basins)
- Water and Sewer Projects (e.g., wells)
- Economic Development Projects and Programs

It also contained affordable housing production goals for the Agency. CRL requires that not less than 20% of all tax increment income generated by a Redevelopment Project Area is used for the purpose of increasing, preserving or improving the community's supply of affordable housing.

NON-HOUSING ACCOMPLISHMENTS (January 1, 2001 - December 31, 2001)

Following are the Agency's non-housing accomplishments for the calendar year 2001.

Community Facilities

- Acquired properties for various community facilities such as the aquatics center, sports complex, and the indoor recreation center.
- Completed the design development, construction drawings, went out to bid and began construction of the Community and Cultural Center.
- Completed the conceptual design and schematic design for Community Playhouse.
- Began and completed conceptual design for a new library.
- Selected the Monterey/Edmondson site (Gunderson) for the Indoor Recreation Center, identified programming, and started preliminary design for the facility.

Street Improvements

- Began right-of-way negotiations and design for the extension of Butterfield, from San Pedro Avenue to Tennant Avenue.
- Completed City-wide street rehabilitation project, including portions of Monterey Road.
- Began design of a new traffic signal.
- Completed design of the downtown transit center pedestrian crossing.

Flood Control Projects

- Began design of Butterfield Boulevard flood control channel, from San Pedro Avenue to Tennant Avenue (this corresponds with the Butterfield Boulevard extension discussed above)

Economic Development Projects and Programs

- Worked with the County of Santa Clara to select a site and began the land acquisition process for a new South County Justice Center in Morgan Hill.
- As a result of a Disposition and Development Agreement with, LlagasValley Investors, the Old Morgan Hill School building was relocated to Llagas Avenue/Hale Avenue, and rehabilitation began.

Annual Implementation Plan Update (continued)

- Worked to attract or retain major businesses in the community (such as Condor Systems, Paramit Corporation, Intercon Technologies, Safeway, and a Harley Davidson dealership).
- Processed one grant under the Facade Improvement Program.
- Processed one loan under the Fee Deferral Program and one Small Business Fee Deferral loan.
- Completed the Downtown Maintenance and Management study and began working with Downtown management group formation committee.
- Began work on an auto dealer strategy.
- Worked with the Planning Division to begin the Downtown Design Plan update.
- Helped to establish a Sister City organization and a relationship with San Casciano, Italy.
- Participated in local and regional trade shows.
- Developed new economic development marketing brochure

HOUSING PRODUCTION ACCOMPLISHMENTS (January 1, 2001 - December 31, 2001)

The Plan indicates that the Agency has already exceeded its affordable housing goals by more than 200 units for the period covered by the Plan, January 1, 2000 - December 31, 2004. This was the result of the Agency's activities from the prior Five-year Implementation Plan period. For this one-year period, the Agency has continued with its efforts to provide the community with a variety of quality affordable housing programs and projects.

In calendar year 2001, the Agency:

- Sold 25 Below Market Rate Housing units to lower-income households;
- Handled more than 90 refinance requests from BMR owners;

- Granted rehabilitation loans for 13 single-family residences and 22 rental housing units;
- Approved 85 repair grants for seniors and mobile home owners;
- Repainted four homes under the Paint Program;
- Conducted 25 neighborhood clean-up projects; and
- Made one Police Officer Housing Assistance Program loan.

The Agency also provided financial and entitlement processing assistance in developing or rehabilitating major affordable housing projects:

- The landscaping, lighting and fencing project for the 112-unit Village Avante Apartments was completed;
- South County Housing completed the 42-unit Villa Ciolino Apartment project;
- Funding was provided for the first phase (62 units) of the 100-unit Murphy Ranch project; and
- South County Housing obtained General Plan/Zone amendment, and Measure P approval for the 72-unit Church Street mixed-use project.

[215-8000] Community Development Block Grant

ACTIVITY DESCRIPTION

Community Development Block Grant (CDBG) is the primary funding source to outside agencies (public service) which serve a clientele who are generally presumed to be principally low and moderate income persons. CDBG can also be used to fund non-public service activities such as City improvements or improvements to public or non-profit facilities. The City CDBG programs are supplemented with Redevelopment Housing 20% Set-Aside Funds.

FY 2001/02 HIGHLIGHTS

- Nine service grants were awarded and monitored. Two Area Benefit Activities (ADA Park Upgrades, and the Central and Monterey Road improvements) were funded

FY 2002/03 ACTIVITY GOALS

- Award and monitor 12 service grants. Fund one Area Benefit Activity.

FINANCIAL COMMENTS

The following chart lists this fiscal year's grant awards and all funding sources:

| <u>GRANT</u> | <u>CDBG</u> | <u>CDBG</u> <u>Rellocation</u> | <u>RDA 20%</u> <u>Set-Aside</u> | <u>Housing</u> <u>Mitigation</u> <u>Fund</u> |
|--|-------------------|-----------------------------------|------------------------------------|--|
| City of Morgan Hill–Galvan Park Improvements | \$ 89,235 | \$5,760 | | |
| City of Morgan Hill–Day Worker Public Imprv. | 50,000 | | | |
| NON-PUBLIC SERVICE (CAP. IMPRV.) TOTAL | \$ 139,253 | \$ 5,760 | \$ 0 | \$ 0 |
| Catholic Charities – Ombudsman | \$ 2,300 | | | |
| Second Harvest Food Bank | 3,300 | | | |
| The Lighthouse Youth Outreach | 6,393 | 5,000 | | |
| Live Oak Adult Day Services | 3,800 | | | |
| Community Solutions El Toro Youth Center/ Friday Night Jams | 15,000 | | | |
| St. Catherine's Day Worker Service Center | 5,000 | | | |
| Catholic Charities – Depot St. Shared Housing | | | 15,000 | |
| Community Solutions – La Isla Pacifica Shelter for Battered Women | | | 16,000 | |
| Emergency Housing Consortium – Shelter & Services | | | | 15,000 |
| Project Sentinel – Tenant/Landlord Dispute Resolution | | | 25,000 | |
| PUBLIC SERVICES (SERVICE AGENCIES) TOTAL | \$ 35,793 | \$ 500 | \$56,000 | \$ 15,000 |

CITY OF MORGAN HILL • FY 2022/23 • OPERATING AND CIP BUDGE | CITY OF MORGAN HILL • FY 2022/23 • OPERATING AND CIP BUDGE

CITY OF MORGAN HILL • FY 2002/03 • OPERATING AND CIP BUDGET I

CITY OF MORGAN HILL • FY 2002/03 • OPERATING AND CIP BUDGE

CITY OF MORGAN HILL • FY 2002/03 • OPERATING AND CIP BUDGET

The Museum needs to be moved from its current (Civic Center) location to the Villa Miramonte site for the following three reasons: 1) The current funding source will be depleted by the end of this fiscal year; 2) The library expansion project will require use of the current museum site; and 3) The Morgan Hill Historical Society has requested that the museum become a part of the historical complex featuring Morgan Hill's house (Villa Miramonte).

- The building and grounds were maintained.

- Continue to maintain building and grounds.

No significant changes were made.

[220-5156] Museum Fund

| | | | | 01/02 | 01/02 | 02/03 |
|--------|-------------------------|------------------|------------------|-------------------|---------------------|-------------------|
| Acct | Description | 99/00 Actuals | 00/01 Actuals | Current Budget | Estimated Actual | Adopted Budget |
| 42208 | ELECTRIC | 1,120 | 1,523 | 1,500 | 1,200 | 1,200 |
| 42210 | WATER/SEWER | 383 | 344 | 500 | 350 | 350 |
| 42231 | CONTRACT SERVICES | - | - | 1,500 | - | - |
| 42000s | <<SUPPLIES & SERVICES>> | 1,503 | 1,867 | 3,500 | 1,550 | 1,550 |
| 45002 | FINANCE SERVICES | 34 | 41 | - | - | - |
| 45003 | GENERAL LIABILITY INS | 17 | 29 | - | - | - |
| 45004 | BLDG MAINT SERVICES | - | - | 1,525 | 1,449 | 1,519 |
| 45000s | <<INTERNAL SERVICES>> | 51 | 71 | 1,525 | 1,449 | 1,519 |
| | MUSEUM RENTAL | 1,554 | 1,938 | 5,025 | 2,999 | 3,069 |

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Use of Housing Mitigation Funds will be determined by the recommendations adopted for the Housing Strategy which is due to be completed in December 2002. The revenues in this fund are paid as housing in-lieu fees by developers.

FINANCIAL COMMENTS

The FY 2002/03 budget proposes appropriations in the amount of \$15,000 for ECH - Shelter and Services, and \$1,017,119 for programs to be based on the Comprehensive Housing Strategy.

• CITY OF MORGAN HILL • FY 2022/23 • OPERATING AND CIP BUDGET

[317-7000] BAHS Administration

ACTIVITY DESCRIPTION

Business Assistance - Administration conducts the economic development and redevelopment activities for the City of Morgan Hill and the Redevelopment Agency. Its general responsibilities include, but are not limited to, the following:

- Assisting in the development of community facilities
- Conducting business attraction, expansion, and retention activities
- Providing general business assistance including the provision of economic, demographic, and general information to persons and companies interested in locating a business in Morgan Hill
- Acting as an "ombudsman" for businesses in their interactions with the various City Departments
- Offering business start-up counseling and referrals
- Providing site selection and development processing assistance to companies
- Developing and administering business assistance programs
- Working with the Chamber of Commerce to promote the City and enhance and improve the Downtown
- Performing property management duties
- Coordinating the Sister City program
- Preparing the state mandated plans and reports for the Redevelopment Agency
- Monitoring existing loans and contracts
- Administering the Redevelopment Agency budget
- Preparing and updating Redevelopment Plan

FY 2001/02 HIGHLIGHTS

Community Facilities:

- Assisted Community Development Department with design of Community and Cultural Center; and assisted Public Works Department with Construction of Community and Cultural Center
- Assisted Recreation Division with cost/revenue projections for Community and Cultural Center
- Acquired additional property for the Indoor Recreation Facility
- Acquired the site for the Aquatics Center and the Sports Complex
- Completed the design development and construction drawings, prepared bid documents, selected a contractor, and began construction of the Community Playhouse
- Amended the Disposition and Development Agreement and related loan documents to provide for an additional loan for the relocation/rehabilitation of the Morgan Hill School Building from the Community and Cultural Center site; monitored the renovation of the School Building at its new location

Business Assistance Programs:

- Marketed the Facade Improvement Program to 15 businesses and provided 1 grant
- Administered the Traffic/Sewer Fee Financing Program
- Administered the Small Business Fee Deferral Program
- Completed Small Business Loan Program guidelines and loan documents
- Provided grants/loans to Morgan Hill Charter School and to Community Solutions for tenant improvements

[317-7000] BAHS Administration

Business Attraction/Retention/Expansion:

- Assisted the County of Santa Clara in acquiring property for the Morgan Hill Courthouse
- Developed auto dealer strategy
- Worked to attract a Ford dealership
- Helped to locate a Harley Davidson dealership in town
- Assisted Safeway with its efforts to locate in Tennant Station
- Provided Ombudsman services to such companies as Alien Technology and Intercon Technologies for their new facilities

Historic Preservation:

- Assisted with the relocation and rehabilitation of the Old Morgan Hill Elementary School

Local and Regional Economic Development Partnerships:

- Worked with the Chamber of Commerce to promote the downtown and economic development and tourism (e.g., Downtown Executive Committee, Economic Development Committee, Tourism Committee)
- Working with the Sister City committee, established a Sister City relationship with San Casciano, Italy

Planning/Administration:

- Assisted Community Development Department with the update of the Downtown Design Plan
- Worked with Downtown merchants and property owners to begin formation of a Downtown management organization
- Began development of a reuse strategy for major shopping center
- Commissioned a study to assess Morgan Hill's economic base expansion potential for industrial development

Marketing/Promotional Efforts:

- Developed new Economic Development marketing brochure
- Participated in annual local business-to-business trade show
- Participated in annual ICSC Deal-Making sessions in Sacramento and Monterey
- Coordinated Community and Cultural Center groundbreaking celebration

FY 2002/03 ACTIVITY GOALS

Community Facilities:

- Assist in the development of community facilities
- Complete relocation and construction of Community Playhouse

Business Assistance Programs:

- Continue to promote and administer existing business assistance programs
- Develop Monterey Corridor Assistance Programs
- Develop Downtown assistance programs
- Develop Burrowing Owl assistance program

[317-7000] BAHS Administration

Business Attraction/Expansion/Retention:

- Work to attract retailers, auto dealers and high-tech businesses
- Help existing businesses expand
- Work to retain existing business
- Acquire property and work with Santa Clara County to develop a joint master plan for Morgan Hill Courthouse property

Historic Preservation:

- Develop action plan and schedule, negotiate an agreement with the Morgan Hill Historical Society for the relocation of the Acton Farmhouse and the Morgan Hill Historical Museum to the Morgan Hill House site, and move the buildings

Planning/Administration:

- Complete update of the assessment of Morgan Hill's economic base expansion potential for industrial and commercial development
- Assist the Community Development Department with the update and expansion of the Downtown Design Plan that includes the Monterey Corridor
- Prepare mid-term report on the Redevelopment Agency's 5-Year Implementation Plan

Local and Regional Economic Development Partnerships:

- Continue to work actively with the Chamber of Commerce to promote the downtown, economic development, and tourism
- Continue to work with regional and State agencies to promote economic development
- Continue to work with the local sister city committee to help foster the relationship with San Casciano
- Work with the downtown management organization to continue formation of the organization and to foster a vital downtown

Marketing/Promotional Efforts:

- Evaluate the Chamber of Commerce's marketing plan for the City
- Implement auto dealer marketing strategy
- Participate in local and regional trade shows

| PERFORMANCE MEASURES | FY 2001/02 |
|---|------------|
| • Amount of value of building permits pulled for commercial tenant improvements | \$22 mil |
| • Number of business provided Ombudsman services, sent information or meetings with a BAHS representative | 250 |
| • Amount of square footage in building permits pulled for new commercial/industrial office space | 100,000 |
| • Amount of sales tax generated from new businesses | n/a |
| • Number of new businesses generating sales tax revenues | n/a |

[317-7000] BAHS Administration

| Acct | Description | 99/00 Actuals | 00/01 Actuals | 01/02 Current Budget | 01/02 Estimated Actual | 02/03 Adopted Budget |
|--------|------------------------------|------------------|------------------|----------------------------|------------------------------|----------------------------|
| 41100 | SALARIES-GENERAL | 269,973 | 316,040 | 408,843 | 369,702 | 490,930 |
| 41270 | SALARIES-PART-TIME | 7,376 | 12,858 | 6,000 | 15,460 | 7,800 |
| 41280 | SALARIES-P.T.-REIMB | - | 31 | - | 105 | - |
| 41320 | SALARIES-OTHER PAYOUT | 7,094 | 4,751 | 6,000 | 6,634 | - |
| 41330 | SALARIES-SICK LEAVE | 1,212 | 2,387 | - | - | - |
| 41490 | OVERTIME-GENERAL | 67 | 66 | 500 | 17 | 500 |
| 41560 | UNEMPLOYMENT INSURANCE | 219 | 21 | - | - | - |
| 41620 | RETIREMENT-GENERAL | 3,578 | 4,497 | - | 6,725 | - |
| 41690 | DEFERRED COMPENSATION | 5,372 | 6,252 | - | 11,382 | - |
| 41700 | GROUP INSURANCE | 18,203 | 21,807 | - | 30,529 | - |
| 41701 | MEDICARE | 4,948 | 4,288 | - | 5,311 | - |
| 41730 | INCOME PROTECTION INSURANCE | 2,981 | 3,923 | - | 2,495 | - |
| 41760 | WORKERS COMP | 3,534 | 4,501 | - | 8,559 | - |
| 41799 | BENEFITS | - | - | 52,137 | 1,904 | 81,710 |
| 41900 | CONTRACT LABOR | 3,195 | 5,246 | - | 6,928 | 2,000 |
| 41000s | <<EMPLOYEE SERVICES>> | 327,752 | 386,669 | 473,480 | 465,753 | 582,940 |
| 42208 | ELECTRIC | 423 | 44 | - | - | - |
| 42214 | TELEPHONE | 999 | 3,671 | 4,800 | 4,800 | 4,800 |
| 42228 | GASOLINE & OIL | 630 | 333 | 650 | 850 | - |
| 42229 | RDA-SPECIAL COUNSEL | 90,131 | 40,447 | 55,000 | 55,000 | 10,000 |
| 42230 | SPECIAL COUNSEL | 63 | 646 | - | - | - |
| 42231 | CONTRACT SERVICES | 50,993 | 71,608 | 189,800 | 220,100 | 85,000 |
| 42233 | AUDIT FEES | 7,472 | 2,831 | 5,095 | 5,095 | 5,105 |
| 42242 | RENTS | 226 | 210 | 112 | 112 | 84 |
| 42244 | STATIONARY & OFFICE SUPPLIES | 859 | 1,203 | 1,800 | 1,800 | 1,800 |
| 42248 | OTHER SUPPLIES | 1,120 | 3,419 | 1,500 | 1,500 | 1,000 |
| 42250 | ADVERTISING | 5,404 | 3,597 | 12,079 | 12,079 | 6,000 |
| 42252 | PHOTOCOPYING | 971 | 216 | 600 | 600 | 600 |
| 42254 | POSTAGE & FREIGHT | 868 | 3,328 | 1,500 | 1,500 | 1,500 |
| 42257 | PRINTING | 1,589 | 4,535 | 22,371 | 22,000 | 10,000 |
| 42261 | AUTO MILEAGE | 84 | 165 | 500 | 500 | 500 |
| 42265 | AUTO ALLOWANCE | 3,691 | 3,952 | - | - | - |
| 42299 | OTHER EXPENSE | 129,706 | 138,581 | 3,222 | 3,700 | 4,000 |
| 42301 | REIMBURSEMENTS | - | (144) | - | - | - |
| 42408 | TRAINING & EDUCATION | 960 | 189 | 2,800 | 2,500 | 2,800 |
| 42415 | CONFERENCE & MEETINGS | 7,406 | 2,524 | 8,690 | 3,000 | 10,438 |
| 42423 | MEMBERSHIP & DUES | 8,552 | 14,671 | 8,320 | 8,000 | 9,120 |
| 42435 | SUBSCRIPTION & PUBLICATIONS | 498 | 323 | 550 | 950 | 405 |
| 42526 | MAINT - AUTO/TRUCKS | - | - | 500 | - | - |
| 42531 | MAINT - FURN/OFF EQUI | 114 | 1,214 | 1,394 | 800 | 1,394 |
| 42550 | FLEET REPLACEMENT CHARGE | - | 3,888 | - | - | - |
| 42000s | <<SUPPLIES & SERVICES>> | 312,759 | 301,452 | 321,282 | 344,886 | 154,546 |

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| | | | | | | |
|--------|--------------------------------|-------------------|------------------|-------------------|-------------------|------------------|
| 86200 | ENGINEERING AND INSPE | 500 | - | - | - | - |
| 86200 | PROFESSIONAL SERVICE | - | 31,173 | 2,061,327 | 25,620,188 | - |
| 86220 | ARCHITECTURE AND DESIGN | 36,475 | 2,560 | 26,400 | - | - |
| 86240 | SITE SPECIFIC STUDIES | 94,008 | 4,345 | 151,286 | - | - |
| 86280 | PROPERTY MANAGEMENT | 9,532 | 13,225 | 24,958 | - | - |
| 86320 | DEMOLITION/SITE CLEAR | 51,291 | - | - | - | - |
| 86340 | SITE AND BUILDING IMPROVEMENTS | 30 | 5,679 | 380,000 | - | - |
| 86360 | CONSTRUCTION | 81,509 | 5,209 | 18,014,775 | - | - |
| 86420 | LOAN AMOUNT | 153,214 | 30,028 | 1,483,324 | - | - |
| 86440 | GRANT AMOUNT | 8,771 | 475 | 125,572 | - | - |
| 86530 | CIP ADMINISTRATION | - | - | 373,200 | - | - |
| 86000s | <<PROJECT EXPENDITURES>> | 862,308 | 2,259,332 | 34,635,842 | 25,620,188 | - |
| | BAHS ADMINISTRATION | 10,681,972 | 9,131,570 | 36,169,723 | 27,284,616 | 1,234,000 |



CITY OF MORGAN HILL • FY 2002/03 • OPERATING AND CIP BUDGET • CITY OF MORGAN HILL • FY 2002/03 • OPERATING AND CIP BUDGET

This section identifies the funding resources administered by the Business Assistance Division for the City's and Redevelopment Agency's economic development, programs, projects, partner organizations, and special studies. Since these activities are administered under Business Assistance-Administration, the "Accomplishments" and "Goals" for this section are contained in the BAHS Administration pages. Following is a list of the current programs, projects, and special studies:

Programs

- Downtown Parking Lot Rental and Maintenance
- Property Management (of Redevelopment Agency-owned properties)
- Façade Improvement Program
- Small Business Fee Deferral Program
- Commercial Rehabilitation Loan Program
- Graffiti Removal
- Economic Development Marketing

Projects

- Business Attraction/Retention Loans
- Relocation and Rehabilitation of the Morgan Hill Historical Museum and the Acton Farmhouse
- Morgan Hill Courthouse

Partner Organizations

- Morgan Hill Downtown Association
- Chamber of Commerce
- Sister City

Special Studies

- Downtown Design Plan Update
- Burrowing Owl Study

CITY OF MORGAN HILL • FY 2002/03 • OPERATING AND CIP BUDGET

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[317-8055] BAHS CIP

| | | | | 01/02 | 01/02 | 02/03 |
|-------|--------------------------|---------|---------|---------|-----------|------------|
| | | 99/00 | 00/01 | Current | Estimated | Adopted |
| Acct | Description | Actuals | Actuals | Budget | Actual | Budget |
| 86360 | CONSTRUCTION | - | - | - | - | 12,771,000 |
| | <<PROJECT EXPENDITURES>> | - | - | - | - | 12,771,000 |
| | BAHS CIP | - | - | - | - | 12,771,000 |

[327-7100] BAHS Housing

ACTIVITY DESCRIPTION

The Housing Division is tasked with creating and preserving affordable housing in the community. Redevelopment 20% Housing Set-aside money (i.e., property tax increment) is the primary funding source for these activities. Under California Redevelopment Law, redevelopment agencies are required to set aside 20% of their tax increment for affordable housing activities. Our affordable housing efforts focus on the following:

- Rehabilitation of single-family and multi-family housing
- Administration of the Minor Home Repair Grant programs for seniors and mobile home residents
- Monitoring existing housing loans and agreements
- Administration of the City's Below Market Rate Housing Program (BMR) which includes monitoring approximately 385 BMR rentals and ownership units for compliance
- Assist the City Clerk with the Mobile Home Rent Commission
- Conduct a bi-annual rental vacancy survey
- Manage the City's participation in the Urban County Community Development Block Grant (CDBG) program
- Development of new housing affordable programs and projects

FY 2001/02 HIGHLIGHTS

New Construction and Major Housing Projects

- Completed construction of South County Housing's Villa Ciolino affordable housing project, a blight elimination and renewal project containing 42 new affordable housing units
- With South County Housing, began the development process to replace the Alpine Trailer Park with a new 72-unit mixed-use housing and office project
- Funded and started construction on the first two phases (62 units) of First Community Housing's Murphy Ranch affordable rental housing project
- Implemented RFP/RFQ process for the development of the Watsonville Road property

Housing Rehabilitation Programs

- Approved over 85 grants for the Minor Senior Housing and Mobile Home Repair Programs
- Approved over 15 Housing Rehabilitation Loans for 13 owner occupied homes and 22 rental units
- Approved 4 Housing Paint Program Grants
- Approved 25 neighborhood clean-up projects
- Made loan to South County Housing to rehabilitate five housing projects (e.g. The Willows)

Administration

- **Administered and monitored nine housing and public service grants funded by Community Development Block Grant and 20% Housing Set-Aside funds totaling \$81,667. This funding was provided for housing counseling, domestic violence shelter, transitional housing shelter, meals for seniors, and the El Toro Youth Center**
- Processed two loans under the Police Officer Homebuyer Assistance Program
- Entered into an agreement to participate with, and provided funding to, the Santa Clara County Housing Trust
- Prepared and implemented a work plan for the City's Comprehensive Housing Strategy
- Conducted a housing needs survey of employees of the Morgan Hill Unified School District

[327-7100] BAHS Housing

Below Market Rate (BMR)

- Facilitated the sales of 8 new and 8 resale BMR homes
- Processed over 91 requests from BMR home owners wanting to refinance their units
- Processed over 57 applications as eligible program participants. Four were actually housed in BMR rental units
- Conducted 3 BMR information seminars
- Continued to accept names for the Median and Moderate Income lists, resulting in the addition of 39 applicants
- Participated in the Measure P competition and was responsible for the scoring of the Housing Needs and the Housing Types category

FY 2002/03 ACTIVITY GOALS

Special Studies

- Complete and implement the City's Comprehensive Housing Strategy
- Mid-point review of 5-Year Housing Implementation Plan

New Construction and Major Projects

- Begin construction of the 72-unit "Church Street" mixed-use housing and office project
- Develop at least one new affordable housing project
- Continue construction of the Murphy Ranch housing project
- Complete rehabilitation of the five existing affordable housing projects owned by South County Housing

Housing Rehabilitation Programs

- Provide rehabilitation loans to at least 20 single-family units
- Process 90 grants for Minor Home Repair Programs
- Provide rehabilitation loans for at least 6 rental housing units
- Process 15 Housing Paint Program Grants and/or Neighborhood Clean-ups

Administration

- Administer and monitor 12 housing and/or public service grants from Community Development Block Grant, General Fund and 20% Housing Set Aside funds totaling \$145,950

BMR Program

- Facilitate the resale or sale of at least 25 BMR units

New Programs/Projects

- Develop new programs/proposals for affordable housing per the Housing Strategy
- Select a developer and negotiate an agreement for an affordable housing project on the Redevelopment Agency-owned property on Watsonville Road

PERFORMANCE MEASURES

| | FY 2001/02 |
|---|-------------------|
| • Number of BMR refinance, Rental and Ownership applications | 214 |
| • Number of refinancing requests and BMR applications approved | 135 |
| • Number of BMR Rentals occupied and BMR units sold | 22 |
| • Number of BMR applications received per F.T.E. staffing for the program | 134/F.T.E. |

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| | | | | | | |
|--------|-----------------------------|--------|---------|---------|---------|--------|
| 42257 | PRINTING | 531 | 2,516 | 4,100 | 2,500 | 3,500 |
| 42261 | AUTO MILEAGE | 199 | 22 | 500 | 150 | 400 |
| 42265 | AUTO ALLOWANCE | 2,369 | 2,994 | 1,800 | 1,800 | - |
| 42281 | SMALL TOOLS | 223 | 843 | 500 | 300 | 350 |
| 42299 | OTHER EXPENSE | 23 | 113 | 1,000 | 200 | 800 |
| 42301 | REIMBURSEMENTS | - | (240) | - | - | - |
| 42408 | TRAINING & EDUCATION | 1,024 | 350 | 4,000 | 3,100 | 3,500 |
| 42415 | CONFERENCE & MEETINGS | 878 | 547 | 5,000 | 3,575 | 4,700 |
| 42423 | MEMBERSHIP & DUES | - | 3,000 | 3,675 | 3,675 | 4,500 |
| 42435 | SUBSCRIPTION & PUBLICATIONS | 263 | 352 | 1,400 | 1,000 | 1,200 |
| 42523 | MAINT - MACH/EQUIPMEN | - | 23 | 275 | 150 | 500 |
| 42526 | MAINT - AUTO/TRUCKS | 350 | 363 | 980 | 30 | 900 |
| 42531 | MAINT - FURN/OFF EQUI | 167 | 1,401 | 1,081 | 1,000 | 1,000 |
| 42550 | FLEET REPLACEMENT CHARGE | 3,195 | 2,440 | 2,531 | 2,531 | 2,600 |
| 42000s | <<SUPPLIES & SERVICES>> | 46,665 | 137,761 | 194,213 | 141,198 | 57,800 |

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